

Central Bedfordshire Council

EXECUTIVE

09 February 2016

Traded Services to Schools & Academies – Proposed charges for 2016/17.

Report of Cllr. Richard Wenham, Executive Member for Corporate Resources (cllr. richard.wenham@centralbedfordshire.gov.uk) and Cllr. Mark Versallion, Executive Member for Education & Skills (cllr. mark.versallion@centralbedfordshire.gov.uk)

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This report relates to a non-Key Decision

The report proposes the revised 2016/17 charges for Traded Services to Schools & Academies for non statutory services.

RECOMMENDATIONS

Subject to any recommendations from Overview & Scrutiny, the Executive is asked to recommend to Council to:

- 1. Agree the charges for 2016/17 for non statutory services to Schools & Academies**

Overview and Scrutiny Comments/Recommendations

1. The proposed 2016/17 charges for Traded Services to Schools & Academies for non statutory services were taken at the Children's Services Overview & Scrutiny Committee (OSC) on the 28th January 2016 and the Corporate Resources OSC on the 2nd February 2016 for comment.
2. The comments made by the Overview & Scrutiny Committees are attached at Appendix A.

Background

3. The Council's Charging Policy states that 'All Fees and Charges will be reviewed annually and adjusted as necessary in line with the Council's charging policy.'

4. The Fees & Charges Policy was approved by Council in November 2014. It states that 'All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2008).' This is currently being undertaken on a rolling basis.
5. Whilst not specifically mentioned in the Policy, traded services to Schools/Academies for non statutory services are the equivalent of Fees & Charges to the public and non Schools organisations, but to a restricted audience.
6. As such, for 2016/17, it is considered appropriate to take the charges for traded services to Schools/Academies for non statutory services to the Executive for recommendation to full Council.
7. The Chief Finance Officer has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 1%.

Pricing for 2016

8. For the majority of services there will either be a 1% increase for 2016/17, or prices will be held at the 2015/16 price where charges are in line with the current cost of provision.
9. Some charges have been rounded to the nearest £5 or £10 so the percentage increase might be higher.
10. Where a charge is shown as a N/A increase, this is because it is a new service introduced in 2016/17.
11. Insurance service charges reflect a legislative increase from 6% to 9.5% for Insurance Premium Tax.
12. See Appendix C for a schedule of changes.

Approach to Reviewing Charges.

13. As mentioned above at paragraph 4, all Fees and Charges should be reviewed on a fundamental basis at least every 3 years.
14. For Schools Trading this was undertaken for 2014/15. The next review of these charges will be due in 2017/18.

Reason/s for decision

15. To agree the charges for 2016/17 as part of delivering a balanced budget for 2016/17 and identify resource requirements for the medium term.

16. To support Schools & Academies to improve education in line with Council Priorities.

Council Priorities

17. The Council Priorities are:

- Enhancing Central Bedfordshire.
- Great Resident Services.
- Improving education and skills.
- Protecting the vulnerable; improving wellbeing.
- Creating stronger communities.
- A more efficient and responsive Council.

Corporate Implications

Legal Implications

18. The Council has various powers to charge for aspects of the services it provides. The general rule is that when it is carrying out a statutory duty the Council can only make a charge where there is specific power to do so. Section 93 of the Local Government Act 2003 provides that when the Council is providing a discretionary service, it may charge for the service, provided the person receiving the service has agreed to its provision. Overall the income from such charges must not exceed the current full economic cost to the Council of the provision.

19. Charges to Schools are at direct cost only as the Council can take a share of the Education Support Grant (ESG) funding to cover the Corporate overhead costs for statutory services.

20. For Academies, there is a charge of 10% management fee to cover Corporate overheads as we do not receive funding from the ESG.

Financial Implications

21. These are contained in the report.

Equalities Implications

22. Where appropriate, Equalities Impact Assessments will be carried out for proposals.

Conclusion and next Steps

23. If recommended by the Executive, the proposed charges for 2016/17 will be presented to Council at its meeting of 25th February 2016 for approval.

Appendices

Appendix A – Overview & Scrutiny Comments

Appendix B - Statutory and Traded Services to Schools & Academies booklet.

Appendix C – Year on Year Changes to charges.